

EXECUTIVE SUMMARY - ENFORCEMENT MATTER Page 1 of 2
DOCKET NO.: 2007-1389-AIR-E **TCEQ ID:** RN100218023 **CASE NO.:** 34525
RESPONDENT NAME: Fritz Industries, Inc.

ORDER TYPE:		
<input checked="" type="checkbox"/> 1660 AGREED ORDER	<input type="checkbox"/> FINDINGS AGREED ORDER	<input type="checkbox"/> FINDINGS ORDER FOLLOWING SOAH HEARING
<input type="checkbox"/> FINDINGS DEFAULT ORDER	<input type="checkbox"/> SHUTDOWN ORDER	<input type="checkbox"/> IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
<input type="checkbox"/> AMENDED ORDER	<input type="checkbox"/> EMERGENCY ORDER	
CASE TYPE:		
<input checked="" type="checkbox"/> AIR	<input type="checkbox"/> MULTI-MEDIA (check all that apply)	<input type="checkbox"/> INDUSTRIAL AND HAZARDOUS WASTE
<input type="checkbox"/> PUBLIC WATER SUPPLY	<input type="checkbox"/> PETROLEUM STORAGE TANKS	<input type="checkbox"/> OCCUPATIONAL CERTIFICATION
<input type="checkbox"/> WATER QUALITY	<input type="checkbox"/> SEWAGE SLUDGE	<input type="checkbox"/> UNDERGROUND INJECTION CONTROL
<input type="checkbox"/> MUNICIPAL SOLID WASTE	<input type="checkbox"/> RADIOACTIVE WASTE	<input type="checkbox"/> DRY CLEANER REGISTRATION
<p>SITE WHERE VIOLATION(S) OCCURRED: Fritz Industries, 500 North Sam Houston Road, Mesquite, Dallas County</p> <p>TYPE OF OPERATION: Cement additive manufacturing plant</p> <p>SMALL BUSINESS: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>OTHER SIGNIFICANT MATTERS: There are no complaints. There is no record of additional pending enforcement actions regarding this facility location.</p> <p>INTERESTED PARTIES: No one other than the ED and the Respondent has expressed an interest in this matter.</p> <p>COMMENTS RECEIVED: The <i>Texas Register</i> comment period expired on December 10, 2007. No comments were received.</p> <p>CONTACTS AND MAILING LIST: TCEQ Attorney/SEP Coordinator: None TCEQ Enforcement Coordinator: Ms. Libby Hogue, Enforcement Division, Enforcement Team 3, (512) 239-1165 MC 149; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171 Respondent: Mr. Charles Weisend, President, Fritz Industries, Inc., 500 North Sam Houston Road, Mesquite, Texas 75149 Mr. Edward Burks, Chief Financial Officer, Fritz Industries, Inc., 500 North Sam Houston Road, Mesquite, Texas 75149 Respondent's Attorney: Not represented by counsel on this enforcement matter</p>		

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
<p>Type of Investigation: <input type="checkbox"/> Complaint <input type="checkbox"/> Routine <input type="checkbox"/> Enforcement Follow-up <input checked="" type="checkbox"/> Records Review</p> <p>Date(s) of Complaints Relating to this Case: None</p> <p>Date of Investigation Relating to this Case: July 17, 2007</p> <p>Date of NOV/NOE Relating to this Case: August 22, 2007 (NOE)</p> <p>Background Facts: This was a routine records review investigation. One violation was documented.</p> <p>AIR</p> <p>Failure to timely submit an annual PCC for the certification period of April 1, 2006 to March 31, 2007. [30 TEX. ADMIN. CODE § 122.146(2) and TEX. HEALTH & SAFETY CODE § 382.085(b)].</p>	<p>Total Assessed: \$1,925</p> <p>Total Deferred: \$385 <input checked="" type="checkbox"/> Expedited Settlement <input type="checkbox"/> Financial Inability to Pay</p> <p>SEP Conditional Offset: \$0</p> <p>Total Paid to General Revenue: \$1,540</p> <p>Site Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Person Compliance History Classification <input type="checkbox"/> High <input checked="" type="checkbox"/> Average <input type="checkbox"/> Poor</p> <p>Major Source: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Applicable Penalty Policy: September 2002</p>	<p>Corrective Actions Taken:</p> <p>The Executive Director recognizes that Fritz Industries, Inc. submitted the required Permit Compliance Certification ("PCC") for the certification period of April 1, 2006 to March 31, 2007 on July 2, 2007.</p>

Additional ID No(s): DB0374D



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision June 26, 2007

TCEQ

DATES	Assigned	24-Aug-2007	Screening	29-Aug-2007	EPA Due	18-May-2008
	PCW	30-Aug-2007				

RESPONDENT/FACILITY INFORMATION

Respondent	Fritz Industries, Inc.		
Reg. Ent. Ref. No.	RN100218023		
Facility/Site Region	4-Dallas/Fort Worth	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	34525	No. of Violations	1
Docket No.	2007-1389-AIR-E	Order Type	1660
Media Program(s)	Air	Enf. Coordinator	Libby Hogue
Multi-Media		EC's Team	Enforcement Team 3
Admin. Penalty \$	Limit Minimum	\$0	Maximum
			\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) **Subtotal 1** **\$2,500**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **2% Enhancement** **Subtotals 2, 3, & 7** **\$50**

Notes A 2% enhancement is recommended for having one NOV for non-similar violations within the past five years.

Culpability **No** **0% Enhancement** **Subtotal 4** **\$0**

Notes The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply **25% Reduction** **Subtotal 5** **\$625**

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	X	
N/A		(mark with x)

Notes Respondent submitted the annual permit compliance certification ("PCC") for the certification period of April 1, 2006 to March 31, 2007 on July 2, 2007.

0% Enhancement* **Subtotal 6** **\$0**

Total EB Amounts **\$4**
Approx. Cost of Compliance **\$500**
 *Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7 **Final Subtotal** **\$1,925**

OTHER FACTORS AS JUSTICE MAY REQUIRE

Reduces or enhances the Final Subtotal by the indicated percentage. (Enter number only; e.g. -30 for -30%.)

Notes

Final Penalty Amount **\$1,925**

STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty **\$1,925**

DEFERRAL

Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes Deferral offered for expedited settlement.

20% Reduction **Adjustment** **-\$385**

PAYABLE PENALTY **\$1,540**

Screening Date 29-Aug-2007

Docket No. 2007-1389-AIR-E

PCW

Respondent Fritz Industries, Inc.

Policy Revision 2 (September 2002)

Case ID No. 34525

PCW Revision June 26, 2007

Reg. Ent. Reference No. RN100218023

Media [Statute] Air

Enf. Coordinator Libby Hogue

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action (number of NOVs meeting criteria)	0	0%
	Other written NOVs	1	2%
Orders	Any agreed final enforcement orders containing a denial of liability (number of orders meeting criteria)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (number of judgements or consent decrees meeting criteria)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (number of counts)	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which notices were submitted)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (number of audits for which violations were disclosed)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 2%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

A 2% enhancement is recommended for having one NOV for non-similar violations within the past five years.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 2%

Screening Date	29-Aug-2007	Docket No.	2007-1389-AIR-E	PCW																	
Respondent	Fritz Industries, Inc.	Policy Revision 2 (September 2002)																			
Case ID No.	34525	PCW Revision June 26, 2007																			
Reg. Ent. Reference No.	RN100218023																				
Media [Statute]	Air																				
Enf. Coordinator	Libby Hogue																				
Violation Number	1																				
Rule Cite(s)	30 Tex. Admin. Code § 122.146(2) and Tex. Health & Safety Code § 382.085(b)																				
Violation Description	Failed to timely submit an annual PCC for the certification period of April 1, 2006 to March 31, 2007. Specifically, the PCC was due on May 1, 2007 and was not submitted until July 2, 2007.																				
Base Penalty				\$10,000																	
>> Environmental, Property and Human Health Matrix																					
OR	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td colspan="3" style="text-align: center;">Harm</td> </tr> <tr> <td style="text-align: center;">Release</td> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> </tr> <tr> <td style="text-align: center;">Actual</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Potential</td> <td></td> <td></td> <td></td> </tr> </table>					Harm			Release	Major	Moderate	Minor	Actual				Potential				Percent <input type="text" value="0%"/>
		Harm																			
	Release	Major	Moderate	Minor																	
Actual																					
Potential																					
>> Programmatic Matrix																					
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td></td> <td style="text-align: center;">Falsification</td> <td style="text-align: center;">Major</td> <td style="text-align: center;">Moderate</td> <td style="text-align: center;">Minor</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> <td></td> </tr> </table>					Falsification	Major	Moderate	Minor			X			Percent <input type="text" value="25%"/>						
	Falsification	Major	Moderate	Minor																	
		X																			
Matrix Notes	100% of the rule requirement was not met.																				
Adjustment				\$7,500																	
				\$2,500																	
Violation Events																					
Number of Violation Events <input type="text" value="1"/>		43 Number of violation days																			
mark only one with an x	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>daily</td><td></td></tr> <tr><td>monthly</td><td></td></tr> <tr><td>quarterly</td><td></td></tr> <tr><td>semiannual</td><td></td></tr> <tr><td>annual</td><td></td></tr> <tr><td>single event</td><td style="text-align: center;">X</td></tr> </table>			daily		monthly		quarterly		semiannual		annual		single event	X	Violation Base Penalty <input type="text" value="\$2,500"/>					
daily																					
monthly																					
quarterly																					
semiannual																					
annual																					
single event	X																				
One single event is recommended based on the record review conducted on July 17, 2007.																					
Economic Benefit (EB) for this violation		Statutory Limit Test																			
Estimated EB Amount <input type="text" value="\$4"/>		Violation Final Penalty Total <input type="text" value="\$1,925"/>																			
This violation Final Assessed Penalty (adjusted for limits)				<input type="text" value="\$1,925"/>																	

Economic Benefit Worksheet

Respondent Fritz Industries, Inc.

Case ID No. 34525

Reg. Ent. Reference No. RN100218023

Media Air

Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.0	\$0	\$0	\$0
Buildings				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0
Engineering/construction				0.0	\$0	\$0	\$0
Land				0.0	\$0	n/a	\$0
Record Keeping System				0.0	\$0	n/a	\$0
Training/Sampling				0.0	\$0	n/a	\$0
Remediation/Disposal				0.0	\$0	n/a	\$0
Permit Costs				0.0	\$0	n/a	\$0
Other (as needed)	\$500	1-May-2007	2-Jul-2007	0.2	\$4	n/a	\$4

Notes for DELAYED costs

The estimated costs to submit a PCC. Date required is the date in which the PCC was due. Final date is the date in which the PCC was submitted.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.0	\$0	\$0	\$0
Personnel				0.0	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.0	\$0	\$0	\$0
Supplies/equipment				0.0	\$0	\$0	\$0
Financial Assurance [2]				0.0	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.0	\$0	\$0	\$0
Other (as needed)				0.0	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$4

Compliance History

Customer/Respondent/Owner-Operator:	CN600386585	Fritz Industries, Inc.	Classification: AVERAGE	Rating: 2.50
Regulated Entity:	RN100218023	FRITZ INDUSTRIES	Classification: AVERAGE	Site Rating: 1.50
ID Number(s):	AIR OPERATING PERMITS	ACCOUNT NUMBER	DB0374D	
	AIR OPERATING PERMITS	PERMIT	1097	
	INDUSTRIAL AND HAZARDOUS	EPA ID	TXD982309460	
	WASTE GENERATION			
	INDUSTRIAL AND HAZARDOUS	SOLID WASTE REGISTRATION # (SWR)	31763	
	WASTE GENERATION			
	AIR NEW SOURCE PERMITS	PERMIT	7047	
	AIR NEW SOURCE PERMITS	PERMIT	28543	
	AIR NEW SOURCE PERMITS	PERMIT	26929	
	AIR NEW SOURCE PERMITS	PERMIT	36890	
	AIR NEW SOURCE PERMITS	PERMIT	37288	
	AIR NEW SOURCE PERMITS	PERMIT	48619	
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	DB0374D	
	AIR NEW SOURCE PERMITS	PERMIT	53035	
	AIR NEW SOURCE PERMITS	AFS NUM	4811300094	
	AIR NEW SOURCE PERMITS	PERMIT	54981	
	AIR NEW SOURCE PERMITS	PERMIT	49059	
	AIR NEW SOURCE PERMITS	REGISTRATION	71780	
	AIR NEW SOURCE PERMITS	REGISTRATION	74740	
	AIR NEW SOURCE PERMITS	REGISTRATION	79667	
	STORMWATER	PERMIT	TXR05M522	
	STORMWATER	PERMIT	TXR05T661	

Location: 500 N SAM HOUSTON RD, MESQUITE, TX, 75149 Rating Date: September 01 06 Repeat Violator: NO

TCEQ Region: REGION 04 - DFW METROPLEX

Date Compliance History Prepared: August 28, 2007

Agency Decision Requiring Compliance Enforcement

Compliance Period: August 28, 2002 to August 28, 2007

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Libby Hogue Phone: 512-239-1165

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance Yes
2. Has there been a (known) change in ownership of the site during the compliance period? No
3. If Yes, who is the current owner? N/A
4. If Yes, who was/were the prior owner(s)? N/A
5. When did the change(s) in ownership occur? N/A

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1	05/19/2003	(45132)
2	06/16/2003	(60796)
3	01/27/2004	(261056)
4	07/01/2004	(267798)
5	08/02/2004	(283156)
6	10/06/2004	(252532)
7	11/30/2004	(336787)
8	08/19/2005	(405173)
9	05/30/2006	(464495)
10	07/18/2006	(483584)
11	08/21/2007	(568032)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date 07/01/2004 (267798)

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(b)(8)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: During an investigation conducted on 03/31/04 it was noted that the Reportable Event/Activity Notification Form for the emission event discovered on 10/11/03 failed to include the facility's authorized emission limits and authorization permit number.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 101, SubChapter F 101.201(g)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: During an investigation conducted on 03/31/04 it was noted that the emission event discovered on 10/11/03 was not reported using the Commission's secured web server, the State of Texas Environmental Emissions Reporting System (STEERS) as required.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(F)
5C THC Chapter 382, SubChapter A 382.085(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: During an investigation conducted on 03/31/04 it was noted that the emission event discovered on 10/11/03 was due to human error. The emission generated from this event do not have an affirmative defense and are in non-compliance with Permit No. 37288; General Condition 8; Maximum Allowable Emission Rates.

Self Report? NO

Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.116(b)(1)[G]
5C THC Chapter 382, SubChapter A 382.085(a)
5C THC Chapter 382, SubChapter A 382.085(b)

Description: During an investigation conducted on 03/31/04 it was noted that the emission event discovered on 10/11/03 involved the compound sodium bromate. Sodium bromate is not represented in Permit No. 37288 or the permit application and is in non-compliance with Permit No. 37288, special condition 5.

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
FRITZ INDUSTRIES, INC.
RN100218023**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2007-1389-AIR-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Fritz Industries, Inc. under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Fritz Industries, Inc. appear before the Commission and together stipulate that:

1. Fritz Industries, Inc. owns and operates a cement additive manufacturing plant at 500 North Sam Houston Road in Mesquite, Dallas County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Commission and Fritz Industries, Inc. agree that the Commission has jurisdiction to enter this Agreed Order, and that Fritz Industries, Inc. is subject to the Commission's jurisdiction.
4. Fritz Industries, Inc. received notice of the violations alleged in Section II ("Allegations") on or about August 27, 2007.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Fritz Industries, Inc. of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of One Thousand Nine Hundred Twenty-Five Dollars (\$1,925) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Fritz Industries, Inc. has paid One Thousand Five Hundred Forty Dollars (\$1,540) of the administrative penalty and Three Hundred Eighty-Five Dollars (\$385) is deferred contingent upon Fritz Industries, Inc.'s timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Fritz Industries, Inc. fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require Fritz Industries, Inc. to pay all or part of the deferred penalty.
7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director of the TCEQ and Fritz Industries, Inc. have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.
9. The Executive Director recognizes that Fritz Industries, Inc. submitted the required Permit Compliance Certification ("PCC") for the certification period of April 1, 2006 to March 31, 2007 on July 2, 2007.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Fritz Industries, Inc. has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, Fritz Industries, Inc. is alleged to have failed to timely submit an annual PCC for the certification period of April 1, 2006 to March 31, 2007, in violation of 30 TEX. ADMIN. CODE § 122.146(2) and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on July 17, 2007.

III. DENIALS

Fritz Industries, Inc. generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Fritz Industries, Inc. pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and Fritz Industries, Inc.'s compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations, which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Fritz Industries, Inc., Docket No. 2007-1389-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The provisions of this Agreed Order shall apply to and be binding upon Fritz Industries, Inc. Fritz Industries, Inc. is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
3. This Agreed Order, issued by the Commission, shall not be admissible against Fritz Industries, Inc. in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
4. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.
5. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Fritz Industries, Inc., or three days after the date on which the Commission mails notice of the Order to Fritz Industries, Inc., whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission



For the Executive Director

Date 12/7/07

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.



Signature

Date 10/9/07

EDWARD BURKS

Name (Printed or typed)
Authorized Representative of
Fritz Industries, Inc.

Title CFO

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

